



MOTORS LIQUIDATION COMPANY

Christian Cook
500 Renaissance Center
Suite 400
Detroit, MI 48243 USA

BANK OF AMERICA MERILL LYNCH

Brad Jaros
One N. Wacker Drive, 19th Floor
Chicago, IL 60606 USA

By email to : brad.jaros@baml.com
ccook@alixpartners.com

Re: Binding Offer to acquire all shares of GM Strasbourg.

Hamont, August 27th, 2010.

Dear Mr. Cook,
Dear Mr. Jaros,

Dear Christian and Brad,

Introduction

We refer to our letters dated January 26th, 2010, March 23rd, 2010 and April 8th, 2010, in respect of the transaction process and offer for the planned disposal of General Motors Strasbourg SAS (the "Company").

We also make reference to the last offers we made, being our offer of April 26th, 2010, the email of Marc Maes dated May 15th, with the letter dated May 13th, attached, and the email of Marc Maes dated May 25th, 2010.

We also refer to the different meetings in Strasbourg and in Detroit, during which we stated our interest in the acquisition of the Company.



We further refer to the GMS Sale Motion dated August 13th, 2010, with attached the Stock Purchase Agreement between General Motors Automotive Holdings, S.L. and Motors Liquidation Company.

Related to this Sale Motion, we also refer to the email of Marc Maes dated August 18th, 2010.

We understood from our concall of August 25th, 2010, that we can make this Binding Offer to you directly. MLC will then consider our offer, and, if selected, bring it as a Sale Motion to the Bankruptcy Court for consideration. If not selected, Punch has the possibility to file any objection to the Bankruptcy Court before Sept. 7th.

We now want to make a binding and non-contingent offer ("**Binding Offer**").

Binding Offer

We present our Binding Offer as follows:

1. With regard to the GM Strasbourg shares:

- We offer MLC 3 (three) million \$ for 100% of the shares of GM Strasbourg.

2. With regard to the BMW claim:

- We ask assignment of the BMW contract and the BMW litigation from MLC to the Company.
- We offer to MLC 50% of all future cash proceeds coming forth from the litigation or settlement of the BMW litigation in the benefit of the Company. Estimated total value of this claim can be between EUR 35 Mio \$ in a short term settlement and more than 1 (one) billion \$ based on the ongoing litigation for contractual obligations (obligation of BMW to purchase a minimum of 1.9 million transmissions from the Company by December 31, 2015) and as estimated by MLC.

3. With regard to the future development of the site and Personnel:

- Linked to point 1 and 2, Punch and BBS International GmbH commit to start a new production and logistics facility of alloy wheels, in the old factories of Delphi, on the site of the Company, over a period of 2 (two) years, starting early 2011 (the "**BBS project**").

In addition, Punch will (1) continue the Supply Agreements with GM and BMW, (2) develop a new Powertrain product, (3) not use any IP of GM, and (4) all in respect with the Works Counsils rights.

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Continued Supply to GM and BMW.

Punch will secure continued supplies to GM and BMW, by continuation of current agreements, as follows:

- Continued supply to GM: according to European and French law, parties don't have to enter into a written agreement, in order to close a binding agreement. Parties can also close a binding agreement based on oral or practical executions. The ongoing oral and practical arrangements between GM and the Company have therefore the power of a binding agreement. This means that there already a binding Supply Agreement in place. After acquisition by Punch of the Company, the Company will therefore continue to execute this oral Supply Agreement, based on the current pricing. This oral Supply Agreement also covers the right to use GM related IP.
- Continued supply to BMW: after the acquisition, the current contract between BMW and MLC/the Company will be continued.

New Powertrain development.

Punch commits to develop a new powertrain product, for release in or around 2014.

Punch has made extensive product, market and business analysis. Based on this exercise, and based on analysing the existing IP, including GM IP, Punch described a powertrain product which will be developed and produced in the Company and which will not use IP of GM (the "Product").

In addition, Punch has made financial plans and business plans. Parts of these plans have been disclosed to MLC.

The outcome of these plans show that the development of the Product is technically, legally, financially and commercially feasible, and can be realized without using IP of GM.

No use of IP for new Product.

Punch will develop the Product without need of any GM IP.

Approach towards Works Council.

According to French law, the Works Council of the Company has the right to be heard in case of any acquisition of the Company. The Works Council has the right to give advice. At the end, the Works Council has a right of advice, and can not block or prevent the acquisition.



First of all, Punch confirms to honour the negotiated and agreed collective bargaining agreements and working conditions, as already agreed between the Company and the Works Council during June and July.

In addition to these agreements, Punch wants to commit to develop the Product. This implies an important opportunity for the future of the Company and its employees.

Further, Punch wants to commit to bring additional business on site and to execute the BBS Project. This project creates job security for 250 FTE.

If MLC prefers, and in order to align its right to do this Binding Offer, with the rights of the Works Council, Punch could propose to have an urgent informal meeting with representatives of the Works Council.

The BBS project.

BBS International GmbH is fully owned by Creacorp NV. BBS is the worldwide strongest brand in alloy wheel manufacturing. BBS is a Tier-1 supplier towards all premium automotive OEM's of which Porsche, Ferrari, BMW, etc. In addition, BBS is the world leading supplier of alloy wheels towards the F1 and racing market.

BBS has a facility in Herbolzheim, Germany, approximately 40 kilometers from the Company.

BBS will start investments to develop new facilities for the production of alloy wheels focusing on mass market OEM's. If Punch will acquire the Company, BBS will execute this investment on the site of the Company, in the buildings of Delphi.

This investment covers over 30 Mio € in investments over 2011 and 2012, and will employ approx 250 FTE.

Business plans and feasibility studies are available. Punch is ready to explain and discuss the details of these plans with representatives of MLC and with the Works Council of the Company.

These discussions have to be on a confidential basis.

The BBS project will compensate for potential lay offs.

The negotiated collective labour agreements will result in 10% cost savings for the Company, implying more working hours. More working hours will result in redundant workforce for which no job security has been given.

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The BBS project will hire this redundant work force and compensate for these lay offs.

Punch will further develop the Company's site into an industrial campus.

In addition, Punch will start new projects on the Company's site in Strasbourg.

New employment has to compensate for future lay-offs. Several projects are already being investigated.

Punch has extensive experience in building industrial and business campus. In Slovakia, Punch build an industrial campus of 80.000m². This campus now employs more then 1.000 FTE.

In Belgium, Punch build a business and production campus in Lier. This campus includes certain activities of Punch Graphix NV, and holds more then 15 other companies.

These plans will secure additional work force. Based on the former experience of Punch, this can result in an additional couple of hundred FTEs.

Punch as solid partner for GM Strasbourg and GM

In our letter of February 23rd, 2010, we explained Punch Corporation as solid partner to acquire GM Strasbourg and to supply GM.

Punch Corporation, through its mother and sister companies, has extensive experience with transactions of this type, as well as with the Automotive sector, French Manufacturing assets, and French labor relations, as follows:

a. Experience with transactions of this type:

Punch has been involved in numerous similar transactions, acquisitions and turnarounds, like for instance:

- > 2000: Electronics divisions acquired from Philips, consolidated and moved to new campus in Slovakia
- 2002: Xeikon acquired out of bankruptcy for 20 Mio €. Now consolidated into graphics group with 170 Mio € revenue and 40 Mio € EBITDA
- 2004 – 2008 : Telematics companies acquired and consolidated into European nr2 in fleet management solutions.
- 2004: Agricultural group acquired, reorganised and sold to GEA Group in 2007
- 2005 : OVP and plastics moulding companies acquired, reorganized and activities sold to Johnson Controls

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PUNCH CORPORATION

- 2006: CVT activities of ZF acquired without customers. Now aggressive ramp up with 8 customers in Asian market.
- 2007: BBS acquired out of bankruptcy. 50 Mio € invested. BBS is now debt free and realizing profit.
- 2008: Nipson graphics group acquired and reorganized via “redressement judiciaire” in France.

b. Experience with the Automotive sector, such as:

- Punch Powertrain: development, production and commercialization of Continuously Variable Transmissions (CVT's). Punch Powertrain has factories in Belgium and China and prepares for an aggressive growth strategy.
- Punch Metals: Metalworking and assemblies for automotive: pressed-metal parts and welded assemblies e.g. body structures, dashboard carriers, safety parts etc. (former Inalfa in Belgium, acquired in 2005)
- OVP: Injection moulding: production of e.g. instrument panel supports and middle consoles as well as high-quality, visible components for car interiors. (former OVP Belgium). Operations sold in 2008
- BBS: leading producer of high-quality lightweight wheels for sports and passenger cars. Focus on after market and motor sport, drivers for OEM business. Clients are mainly high-end German OEMs. BBS operates two sites in Germany (Schiltach and Herbolzheim) and a US sales office
- Adifil : production of sunshields for vehicle OEM's. Activities acquired from Johnson Controls, reorganized and sold back to Johnson Controls.

Certainty and Timeliness to close

This offer is a binding and non-contingent offer.

Punch gives more security and future work potential for the employees of the Company, as it not only wants to develop the Product, but as well commits to start the BBS project on site, which will compensate for the possible layoffs due to agreed labour cost savings.

The French Law and the Works Council rights do imply that a closing is guaranteed.

For the comfort of MLC, and if wished by MLC, Punch and MLC can already make arrangements to transfer risk and management of the Company after acceptance of the Binding Offer by MLC and the Bankruptcy Court, and pending the discussions with the Works Council.

The Company is further legally secured against any actions of GM, because of the absence of a conciliation procedure for GM.



Because of the BBS project and the campus development on site, our proposal implies less risks for the Company and personnel.

Conclusions

We think this Binding Offer holds more value for MLC, its Debtors, the Company, the Works Council and the Company's personnel.

In addition, Punch will be able to secure the proper continuation of the ongoing Supply Agreements, and will be able to develop the Product without use of GM IP.

Via the BBS project, Punch will also be able to compensate for potential lay offs, resulting from the cost reductions and increased work hours.

Further, Punch will be able to finalize this transaction, with respect for French law and Works Council rights.

Finally, and overall, Punch offers a more valuable transaction with less risks for short term layoffs for personnel.

Punch people are available on the short term for any additional information and further justifications.

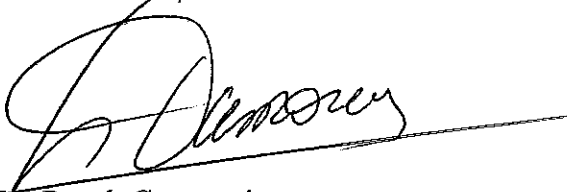
Christian, we have always appreciated working with you, with Stephen Jenkins and your teams, and we hope you can guide and support us further through the procedures, to further formalize the Binding Offer as stipulated by the Court.

Should you need additional information, please do not hesitate to contact us.

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**PUNCH
CORPORATION**

Yours sincerely,



For Punch Corporation nv
Guido Dumarey
Director

Punch Corporation nv, Nobelstraat 2, 3930 Hamont-Achel, Belgium



With signature for confirmation on behalf of Creacorp nv,
Mother company of Punch Corporation nv
Guido Dumarey
Director

Creacorp nv, Palepelstraat 27, 9830 Sint-Martens-Latem, Belgium.



With signature for confirmation on behalf of BBS International GmbH,
100% daughter company of Creacorp nv
Guido Dumarey
Director

BBS International GmbH, Welschdorf 220, Schiltach, Germany